

State of Louisiana

Department of Environmental Quality

LDEQ.

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M.J. "Mike" Foster Governor J. Dale (

STATE, NATIONAL SETTLEMENTS WITH MOTIVA ARE "LARGEST EVER" IN DEO HISTORY

he Louisiana Department of Environmental Quality (DEQ) announced today the settlement of major state enforcement cases with Motiva Enterprises LLC (Motiva) for violating air and water quality provisions of the Louisiana Environmental Quality Act. In addition, DEQ helped to settle major national cases against Motiva facilities throughout the country for violations of the Clean Air Act and Resource Conservation and Recovery Act. Motiva owns two refineries in Louisiana, located in Norco and Convent, that were included in the national case. The national settlement was accomplished in cooperation with the U.S. Justice Department (DOJ), the U.S. Environmental Protection Agency (EPA), the state of Delaware and the Northwest Air Pollution Authority of the state of Washington.

The combination of the two agreements makes it the largest compliance settlement in the history of the Louisiana Department of Environmental Quality.

THE STATE CASE AGAINST MOTIVA

A significant number of the issues involved in the state of Louisiana's case against Motiva were identified at the Norco refinery as a result of information provided by a private citizen who was a former employee at the facility. The majority of the violations involved were self-reported by the refinery. "The development and resolution of these cases demonstrate the importance of both self-reporting by companies and of citizens supplying information to the Department," stated Bruce Hammatt, Administrator of the DEQ Enforcement Division. "These cases take time to develop and DEQ has invested hundreds of hours on this overall matter," Mr. Hammatt added.

THE NATIONAL CASE AGAINST MOTIVA

While DEQ was conducting its state investigation of Motiva, the Agency also began discussions with EPA and the DOJ concerning issues at Motiva's Louisiana's facilities and Motiva's facilities in other states. The national settlement was significantly enhanced by encompassing violations which were previously being addressed solely by DEQ. The Department believes that by entering into the national settlement, the overall benefits to the environment and to the citizens of Louisiana, as well as the citizens in other states affected by the national case, were greatly enhanced. The national settlement also requires Motiva to correct violations at its facilities in Louisiana.

The settlements are the result of several enforcement actions at the Motiva Norco and Convent refineries. **The state settlement** will result in a \$500,000 cash payment to DEQ and \$4,030,000 in Beneficial Environmental Projects. The Beneficial Environmental Projects consist of 1) \$280,000 in funding for the Lower Mississippi River Interagency Cancer Study (LMRICS); 2) \$750,000 to establish and maintain, for three years, an enhanced ambient air monitoring network for the area in and around the Norco community; and 3) \$3,000,000 for a Flaring Reduction Project at the Norco refinery.

The Lower Mississippi River Interagency Cancer Study is a partnership of state agencies, universities, and the lay community. It was developed in response to the need for scientific information about the relationship, if any, between industrial chemical exposure and cancer rates in the eleven lower Mississippi River Parishes. The LMRICS program was formed over seven years ago and has conducted, and continues to conduct, numerous studies relating to cancer in the lower Mississippi River corridor.

The joint national settlements will result in a \$2,300,000 cash payment to DEQ and \$1,250,000 in additional environmental projects. The environmental projects consist of \$1,000,000 to enhance the state's overall air quality monitoring network and \$250,000 to enhance DEQ's Mississippi River Early Warning Organic Compound Detection System (EWOCDS). The EWOCDS program helps to protect the drinking water source for approximately one third of the population of Louisiana. The enhancements will allow DEQ to more efficiently monitor the River to protect these drinking water sources.

As a result of the settlements, Motiva will install and use additional state of the art air pollution control equipment and procedures. The control equipment and procedures, installed and implemented over seven years, will result in a 1,300 tons per year (TPY) decrease of nitrogen oxides (NO_x) at the Norco facility and a decrease of 500 TPY NO_x and 5,300 TPY sulfur oxides (SO_x) at the Convent facility. NO_x and SO_x include nitrogen dioxide (NO_x) and sulfur dioxide (NO_x), which are criteria air pollutants. NO_x is a poisonous gas, which is harmful to lungs, irritates bronchial and respiratory systems and is a precursor to ozone. NO_x 00 combines with water vapor and oxygen to become sulfuric acid, which is harmful to plant life and irritates the respiratory system.

Motiva will spend in excess of \$80,000,000 to install and implement state of the art control equipment and procedures at its refineries located in Norco and Convent.

"The settlements are a cooperative effort. The state settlement will result in projects that are very beneficial to the environment and to the citizens of Norco and Convent. The national settlement will benefit the environment and the citizens both within and outside of the State," said J. Dale Givens, Secretary of the Louisiana Department of Environmental Quality.

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